

# Hospital Profile: NANTUCKET COTTAGE HOSPITAL

Nantucket, MA  
Partners HealthCare System  
Community Hospital  
Cape and Islands Region

Nantucket Cottage Hospital is a non-profit, acute care community hospital. It is the smallest hospital in Massachusetts, with 19 staffed beds. Nantucket Cottage is located in the Cape and Islands region and represents 5% of all acute hospital staffed beds in the region. It is a member of the Partners HealthCare system.

**PATIENTS** As the hospital is located on an island, it provides care primarily to residents and visitors.

**INPATIENT SERVICES** Compared with the other community hospitals, Nantucket Cottage treats a greater proportion of lower-severity cases. In FY12, it accounted for 2% of all inpatient discharges from acute hospitals within the Cape and Islands region. Of note, based on its most common FY12 inpatient cases (DRGs), it treated 49% of all Rehabilitation cases in the Cape and Islands region.

**FINANCIAL PERFORMANCE** Nantucket Cottage's total revenue in FY12 was \$37 million. Its FY12 public payer mix was 48%, lower than the average community hospital. Nantucket Cottage's FY12 inpatient cost<sup>†</sup> per case mix adjusted discharge was \$25,213, approximately 147% higher than the average community hospital, and the highest among all community hospitals. Nantucket Cottage's CY12 average commercial payer price level was at the 70<sup>th</sup> percentile, higher than the average community hospital. It earned a surplus of \$3.2 million (8.8% total margin) in FY12, although Nantucket Cottage posted losses each year from FY08 to FY11.

## AT A GLANCE

**TOTAL STAFFED BEDS:** 19, the smallest acute hospital

**% OCCUPANCY:** 28%, lowest in cohort (avg. 62%)

**TOTAL REVENUE in FY12:** \$37 million

**PUBLIC PAYER MIX:** 48% (Non-DSH\* Hospital)

**SPECIAL PUBLIC FUNDING:** Not Applicable

**TAX STATUS:** Non-profit

**TRAUMA CENTER DESIGNATION:** Not Applicable

**CY12 COMMERCIAL PAYER PRICE LEVEL:** 70th Percentile

**CASE MIX INDEX in FY12:** 0.55, lowest in cohort (avg. 0.81); < statewide (1.06)

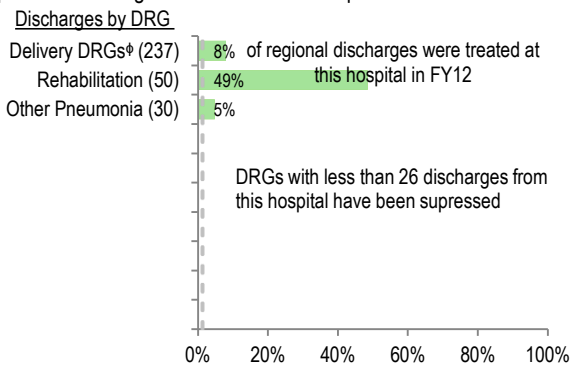
**INPATIENT:OUTPATIENT REVENUE in FY12:** 10%:90%

**TOTAL MARGIN in FY12:** 8.8% (\$3.2 million)

**CHANGE in OWNERSHIP (FY08-FY12):** Not Applicable

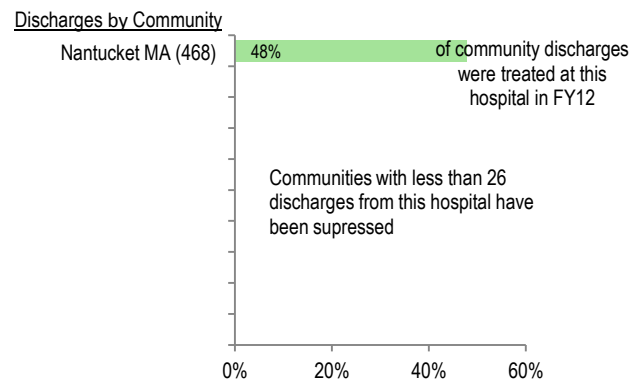
## SERVICES

What were the most common inpatient cases (DRGs) treated at the hospital?  
What proportion of the region's cases did this hospital treat for each service?



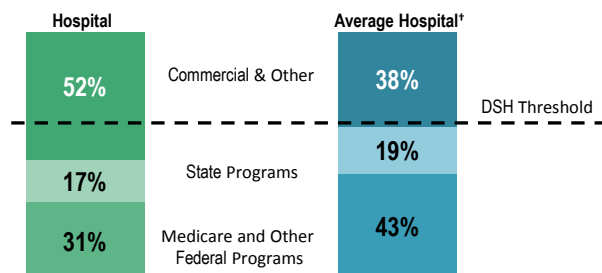
--- Hospital (515) = 2% of total regional discharges

Where did most of the hospital's inpatients reside? What proportion of each community's total discharges were attributed to this hospital?



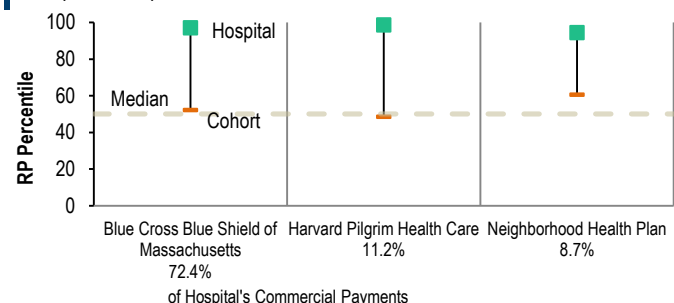
## PAYER MIX

What was the hospital's overall payer mix (gross charges) in FY12, and how does this hospital compare to the average acute hospital's payer mix?



Percentage calculations may not sum to 100% due to rounding

What were the hospital's CY12 payer-specific relative price levels for its top three commercial payers? How does this hospital compare to the average hospital in its peer cohort?



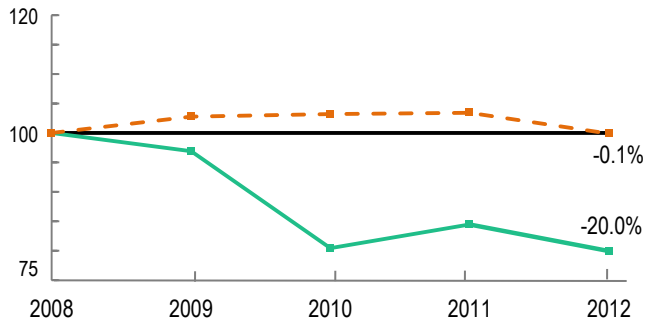
For descriptions of the metrics, please see Technical Appendix.

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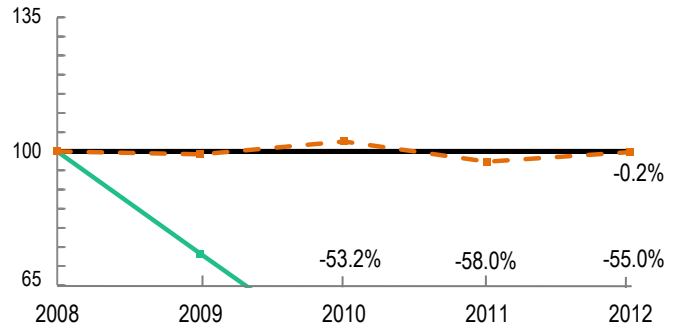
Cohort: Community Hospital

## UTILIZATION TRENDS

How has the volume of the hospital's inpatient discharges changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

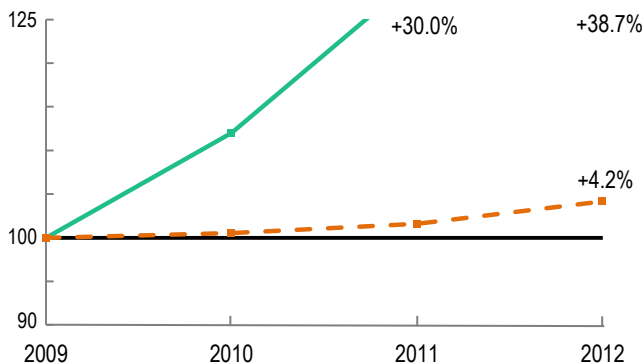


How has the volume of the hospital's outpatient visits changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

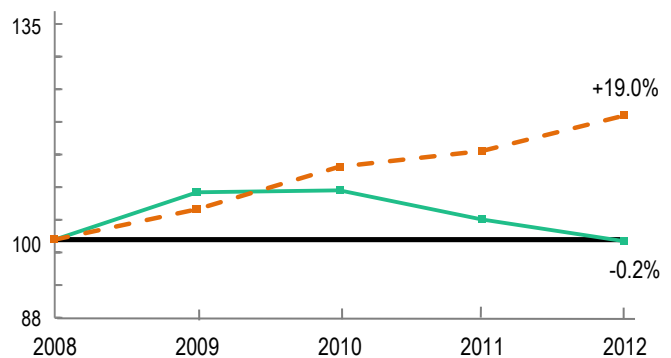


## COST TRENDS

How has the hospital's inpatient cost<sup>†</sup> per case mix adjusted discharge changed compared to FY09, and how does this hospital compare to the average hospital in its peer cohort? (FY09=100)



How have the hospital's total outpatient costs changed compared to FY08, and how does this hospital compare to the average hospital in its peer cohort? (FY08=100)

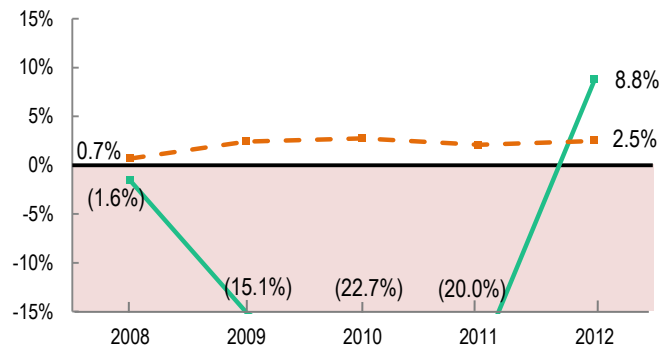


## FINANCIAL PERFORMANCE

How have the hospital's total revenue and costs changed between FY08 and FY12?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	% Change	Total Cost	% Change	Total Profit/Loss
2008	\$34		\$34		(\$0.5)
2009	\$33	(1.2%)	\$38	12.0%	(\$5.0)
2010	\$30	(10.9%)	\$36	(5.0%)	(\$6.7)
2011	\$27	(8.3%)	\$32	(10.4%)	(\$5.4)
2012	\$37	35.5%	\$33	3.0%	\$3.2

What was the hospital's total margin between FY08 and FY12, and how does this compare to the median of its peer cohort hospitals?



For descriptions of the metrics, please see Technical Appendix.

<sup>†</sup> Costs were adjusted to exclude direct medical education costs and physician compensation.

\* Disproportionate Share Hospitals (DSH) receive a minimum of 63% of gross patient service revenue from public payers.

\* Delivery DRG includes Cesarean and Vaginal Deliveries, and Neonate DRG.

<sup>†</sup> Average Hospital does not include Specialty hospitals.

For more information, please contact:

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